




DAVID SANDERS, PH.D.
Director

County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
425 Shatto Place -- Los Angeles, California 90020
(213) 351-5602

September 26, 2005

Board of Supervisors
GLORIA MOLINA
First District
YVONNE B. BURKE
Second District
ZEV YAROSLAVSKY
Third District
DON KNABE
Fourth District
MICHAEL D. ANTONOVICH
Fifth District

TO: Supervisor Gloria Molina, Chair
Supervisor Michael D. Antonovich, Chair Pro Tem
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: David Sanders, Ph.D. 
Director

APRIL 26, 2005 BOARD AGENDA ITEM #22: REFUGIO PARA NIÑOS MONTHLY REPORT

As the Department of Children and Family Services (DCFS) has been charged with providing monthly reports of Refugio Foster Family Agency (Refugio) to the Board, the following summarizes the monitoring visit conducted by DCFS, Out-of-Home Care Management Division (OHCMD), and fiscal reports from the Auditor-Controller and DCFS Fiscal Monitoring and Special Payments Section, which outline the activities for August 2005.

FISCAL ISSUES

The DCFS Fiscal Monitoring and Special Payments Section reported that Refugio submitted its August monthly expenditure report timely, and there were no issues to report.

The Department received the Auditor-Controller's (A-C) Monthly Evaluation report of Refugio dated September 21, 2005. The report indicated that Refugio continues to be "overall" in compliance with the requirements contained in the Corrective Action Plan (CAP).

The A-C's report further indicates that Refugio discontinued the practice of expending foster care funds for fundraising activities and the Multicultural Counseling Center. Refugio continues to make payments in accordance with its repayment agreement with DCFS and has not used current period foster care funds to make payments required under its repayment agreement. In addition, Refugio has complied with its CAP requirements concerning training of its Board of Directors and incoming Board members personnel; and Refugio continues to comply with regard to Board membership. A copy of the A-C's report is attached (Attachment I).

Refugio's monthly expenditure report is attached (Attachment II).

DCFS MONITORING VISITS

As reported in our August 26, 2005 report, the scope of our review of Refugio expanded to include monitoring performance with regard to Safety, Permanency, and Well Being/Education/Emancipation. The Out-of-Home Care Management Division (OHCMD) Monitor conducted site visits from August 3, 2005 to August 9, 2005 that included Refugio's main office in West Covina and satellite office in Rancho Cucamonga. During our fieldwork, 17 current foster children's files were reviewed, along with the eight certified foster parents' files, and ten discharged foster children's files. Home visits were conducted with the foster parents whose files were reviewed. Additionally, these foster parents and the foster children currently placed in these homes were interviewed as part of the monitoring process.

Refugio has 110 certified foster homes where 290 children are currently placed.

In preparation for monitoring for the safety outcome, the DCFS Monitor researched OHCMD's I-track database to query for Child Protection Hotline (CPHL) referrals and Special Incident Reports (SIR) from August 15, 2005 to September 15, 2005. There were two CPHL referrals during this reporting period, which were because of SIRs.

Our Monitor also met with the Chief Operations Officer (COO), Chief Financial Officer (CFO) and Clinical Director during the site visits. The A-C continues to review the fiscal compliance issues.

SAFETY

The 17 children's files reviewed reflected the following:

- An 18-year-old teen mother with a one-year-old child reported that she asked the foster father to take her to the store to buy milk for the baby and the foster father refused to transport the youth to the store. Furthermore, another 18-year-old foster youth had a boyfriend who used to stalk her, and on one occasion, the individual was able to come into the house, through the children's bedroom. The youth did not

immediately disclose the incident to the foster father. When the disclosure was made, it took the foster father a week to report the incident to Refugio. This is a violation of the FFA Contract, as these kinds of incidents must be reported immediately. For these reasons, we shared our concerns with Refugio for further assessment of the situation at hand and urged oversight to ensure the placed children's safety.

OHCMD found that Refugio has been reporting special incidents in accordance with the reporting requirements as stipulated in the Contract, Section 10.0, Program Reporting Requirements. The following highlights the 11 SIRs reported:

- One SIR indicated that a nine-year-old child was involved in a sexually related incident at school where she was inappropriate to another child. The foster mother acted appropriately by reporting the incident to Refugio, and the agency correctly handled this issue by replacing the child to another foster home within the agency. A referral to the CPHL was not required.
- The second SIR indicated that a one-year-old child was hospitalized due to the child having diarrhea and blood in her feces. The foster parents acted appropriately by taking the child to the hospital and reporting the child's condition to Refugio. A referral to the CPHL was not required.
- The third SIR involved a nine-year-old child who told her therapist that she wished to hurt herself with a telephone cord. The Psychiatric Mobile Response Team made an evaluation of the child and found the child was not a danger to herself or others. Refugio reported the incident in a timely manner, it was appropriately handled, and it did not require a referral to the CPHL.
- The fourth SIR involved a 13-year-old child who inflicted superficial scratches to her stomach. Refugio reported the incident in a timely manner, it was appropriately handled, and it did not require a referral to the CPHL.
- The fifth SIR involved a 15-year-old child who ran away and took her nine-month-old child with her. Refugio instructed the foster mother to file a police report. Refugio reported the incident in a timely manner and it did not require a referral to the CPHL.
- The sixth SIR involved a five-year-old child and a 13-year-old legal guardianship child involved in oral copulation. Refugio's Social Worker reported that the five year-old child has a history of sexual acting out and he was the one who initiated the incident. Both children were replaced to other homes within the agency. A referral to the CPHL was made. The DCFS CSW substantiated the allegations and Refugio's COO stated that Community Care Licensing was notified of the incident, and will conduct an investigation. Refugio reported the incident in a timely manner, and it was appropriately handled.

- The seventh SIR involved an 18-year-old youth who ran away from placement on the same day her case was being terminated. According to Refugio, the Dependency Court emancipated the youth, but she left the foster home before knowing the Court results. Refugio reported the incident in a timely manner, it was appropriately handled, and it did not require a referral to the CPHL.
- The eighth SIR involved a 16-year-old child who was allowed to go into the community with her boyfriend and his family. However, she came home after curfew and was not found where she said she would be. Refugio's Social Worker said that the foster mother had written permission from the DCFS CSW to allow the child to be in the community without supervision. Additionally, the child rides with her boyfriend although he does not have a driver's license and thought she was pregnant, but the results of a test were negative. Refugio's Social Worker reported that a plan was developed with the boyfriend's parents, and the children were no longer permitted to see each other. Refugio reported the incident in a timely manner, it was appropriately handled, and it did not require a referral to the CPHL.
- The ninth SIR involved a 15-year-old child who allegedly ran away from placement, with the foster mother's live-in boyfriend. Refugio's SIR reflected that the child stated that she had sex with the foster mother's live-in boyfriend before running away. The DCFS case record reflects that the child has returned to the Los Angeles area and is placed in a foster home. The alleged perpetrator's whereabouts are unknown and a Child Abuse Report was filed with the San Bernardino County Police Department. Refugio reported the incident in a timely manner, it was appropriately handled as a police report was filed, and a referral to the CPHL was made.
- The tenth SIR involved a 16-year-old brother and his 13-year-old sister. The brother hit his sister in the eye because he became upset when his sister refused to leave his room. The 13-year-old child was taken to the hospital for precautionary medical attention. Refugio reported the incident in a timely manner, it was appropriately handled, and it did not require a referral to the CPHL.
- The eleventh SIR involved a 15-year-old child. While Refugio's Social Worker was visiting the home, the child became upset at the foster mother because he thought that she owed him clothing allowance money. Refugio's staff will check clothing receipts to determine whether the foster mother has spent the allocated clothing money on the children in the home. Refugio reported the incident in a timely manner, it was appropriately handled, and it did not require a referral to the CPHL.

Our current review indicates that the kinds of incidents reported to take place are not unusual. There were two CPHL referrals, but no trends of abuse/neglect were noted for this period of review.

PERMANENCY

Seventeen Children's Plans were reviewed and fifteen of them were in accordance with the DCFS CSWs' plan for permanency. However, we noted that the plans for two siblings placed in one certified foster home reflected the following:

- The foster father refused to transport the two children to visit their family. As the children are new to the foster care system and the permanency plan is reunification, the case plan could not be achieved as the foster parent refused to transport them to visits with their family.

WELL BEING/EDUCATION/EMANCIPATION

- We did observe there were several programmatic issues related to Needs and Services Plans (N&SP). We specifically noted that the N&SPs were not individualized and/or dated, so we question their timeliness. Additionally, the updated N&SPs did not reflect the participants' signatures. Furthermore, we were concerned that the N&SP form used is like an outline, and therefore it does not present the reader with a descriptive picture about the child. As this is beyond our scope of review, these issues will be referred to the Auditor Controller's Office, Countywide Contract Monitoring Division to conduct a programmatic audit of Refugio. (Attachment III).
- One 18-year-old youth has not been provided with emancipation services. The Contract requires that children 14 years old and older have to be provided with emancipation services.

The Out-of-Home Care Management Division report (Attachment IV) is attached.

BOARD STRUCTURE

Refugio's CAP requires that the agency's Board of Directors consist of seven members at all times.

- On September 9, 2005, Refugio's Interim CEO reported that their Board has seven members, which was confirmed by the OHCMD. Therefore, Refugio has complied with the CAP (Exhibit U) to have seven Board Members.
- The CFO provided our Monitor with a letter stating that the Board Member who had not received the OMB training was given an examination and passed satisfactorily.

As per Refugio's COO, not only did he review the results of the test, but also the A-C's Auditor was provided with copies of the test results. The New Board Member Training Session letter (Attachment V) is attached.

- Refugio held Board meetings on July 12, 2005 and August 9, 2005. A review of the Board meeting minutes for these dates reflect that the Board reviewed SIRs as required per Title 22, FFA regulations, Section 88063(8), as recommended by the OHCMD. Copies of the Board meeting minutes (Attachments VI and VII) are attached.

CONCLUSION

Our scope of review is limited to this Board order and monitoring of performance with regard to safety, permanency, well being and education/emancipation. However, there were some programmatic concerns as previously mentioned and they will be addressed by the Auditor-Controller's Office, Countywide Contract Monitoring Division.

However, overall, it appears that Refugio is providing adequate care and services to DCFS children. The children interviewed stated they felt safe in their foster homes, and all but one of the certified foster parents interviewed stated that they were happy with the support from the agency. In fact, one foster parent stated that the Social Worker assigned to the home is excellent.

Refugio's Administration needs to ensure appropriate documentation is updated and establish a comprehensive quality assurance system to ensure that the agency's performance of service delivery meets the needs of all placed children.

Although Refugio is cooperating with the A-C and DCFS, the alternative plan of action remains the same as follows, if needed:

Alternative Plan of Action

- Every effort will be made to maintain the children with the same foster parents to avoid placement disruption.
- CSWs who have children placed with Refugio will be instructed to make immediate and regular visits of the children in the Refugio foster homes. If the children's safety is in question, the CSWs will take appropriate action that may include replacing the children.
- The Refugio foster parents will be informed immediately by telephone and letter of the pending termination of the contract with Refugio and the County's plan to review various options with them regarding their ability to continue care of DCFS children placed with them.
- In collaboration with Community Care Licensing (CCL), a meeting will be scheduled immediately with all foster parents where they will be informed of their options to associate themselves with another Foster Family Agency or become licensed foster parents with the State.

Each Supervisor
September 26, 2005
Page 7 of 7

- The foster parents will be told to continue to utilize the services of their Agency social worker. If they are not receiving the services from Refugio and/or if safety situations arise, they will be instructed to contact the child's CSW immediately.
- During this entire process, DCFS will be working closely with CCL to consider various options, such as certifying foster parents pending licensure or certification, in the event the contract with Refugio requires immediate termination.

If you have any questions please call me, or your staff may contact Helen Berberian, Board Relations Manager at (213) 351-5530.

DS:LP:ES
EH:dv

Attachments

c: Chief Administrative Officer
Auditor Controller
County Counsel
Board of Supervisors Executive Officer

ATTACHMENT I



J. TYLER McCAULEY
AUDITOR-CONTROLLER

COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-2766
PHONE: (213) 974-8301 FAX: (213) 626-5427

September 21, 2005

TO: David Sanders, Ph.D., Director
Department of Children and Family Services

FROM: J. Tyler McCauley
Auditor-Controller

SUBJECT: MONTHLY EVALUATION OF REFUGIO PARA NIÑOS' COMPLIANCE
WITH ITS CORRECTIVE ACTION PLAN - 4th Status Report

At its April 16, 2005 meeting, the Board of Supervisors directed the Department of Children and Family Services (DCFS), in consultation with the Auditor-Controller to report back to the Board on a monthly basis regarding Refugio Para Niños' (Refugio) compliance with its Corrective Action Plan (CAP). The CAP is part of the contract between the County and Refugio which was signed on April 28, 2005.

Overall, Refugio continues to be in compliance with the requirements contained in its CAP. The following is our fourth monthly report to your Department and primarily addresses activity at Refugio for the month of August 2005.

Recovery of Questioned Expenditures

Review of Fundraising Expenditures

We reviewed Refugio's August 2005 accounting records and noted no instances of the Agency expending FFA funds for fundraising activities or on the Multicultural Counseling Center (MCC).

Conclusion: Refugio continues to comply with its CAP requirement and has discontinued the practice of expending foster care funds for fundraising activities and the MCC.

"To Enrich Lives Through Effective and Caring Service"

David Sanders, Ph.D.
September 21, 2005
Page 2

Timeliness of Repayment

Under the terms of the repayment agreement, Refugio will repay \$6,505 a month to DCFS with the first payment due on June 10, 2005, and continuing thereafter on the 10th of each month until fully repaid.

Refugio continues to make monthly payments under its repayment plan either on or ahead of schedule. DCFS received Refugio's October 2005 payment on September 13, 2005.

Conclusion: Refugio is continuing to make payments in accordance with its repayment agreement with DCFS.

Source of Funds

Refugio is not permitted to use current period foster care funds to make payments required under its repayment agreement. We reviewed the relevant records related to each of three bank accounts from which funds were used for the repayment, and verified that no current period FFA funds had been deposited into any of the accounts used for the repayment.

Conclusion: Refugio continues to comply with its CAP requirement and has not used current period foster care funds to make payments required under the Agency's repayment agreement.

Education of Refugio's Board of Directors and Personnel

Training of Board Members and Personnel

In our second status report, dated July 20, 2005, we reported that, on July 12th, Refugio elected a seventh member to its Board of Directors. This individual was elected to the Board subsequent to the completion of the training sessions that were required for the Agency's Board and personnel pursuant to the CAP.

During August, the new Board member completed his review of Refugio's training manual, which contains the training materials for each of the four requisite training courses mandated under the CAP. The new board member has also satisfactorily completed the post-study examinations for each of the training courses.

David Sanders, Ph.D.
September 21, 2005
Page 3

Conclusion: Refugio continues to comply with its CAP requirement concerning training members of its Board of Directors and personnel. In addition, Refugio has taken steps to ensure that incoming Board members and staff also receive the training required as a condition of its CAP.

Corrective Action Plan for Structure of Refugio's Board of Directors

Composition of the Board

Refugio's CAP requires that the Agency's Board of Directors consist of at least seven individuals at all times, none of whom are an interested party or an employee of Refugio.

Refugio continues to have seven members on its Board. As previously indicated, nothing has come to our attention to indicate that any of the members are an interested party as defined in the California Corporations Code, nor is any Board member a current or former employee of Refugio.

In August 2005, the Board appointed one of its members as Chief Executive Officer (CEO), replacing the Interim CEO, who assumed the position of Chief Operating Officer (COO). However, after DCFS' Out of Home Care Management Division reviewed the Board member's qualifications and concluded that the individual did not possess the statutory, educational and practical experience background to qualify as the CEO, the COO was reinstated as Interim CEO. The Board's CEO appointee has since been functioning as a non-paid consultant, assisting the Interim CEO with the personnel and morale issues at Refugio. The Board is considering compensating this individual for his services in the future.

Conclusion: Refugio continues to comply with its CAP requirements regarding Board membership.

Excessive Compensation

Employee Salaries and Pension Benefits

Refugio's Interim CEO continues to be compensated at an annual salary of \$109,416, which is reasonable for an Agency of Refugio's size. The contribution levels to the Interim CEO's deferred annuity pension plan were also reasonable based on the 2003 CWLA Salary Study.

ATTACHMENT II

EXHIBIT E

DEPARTMENT OF CHILDREN AND FAMILY SERVICES FOSTER FAMILY AGENCY SEMI-ANNUAL REVENUE AND EXPENDITURE SUMMARY

Agency Name : REFUGIO PARA NINO

Report Period: August 2005

Agency Address : 100 N. Citrus St. Suite 205, West Covina, CA 91791 - 1614

Contact Person : Tomas Fernandez - CEO

Phone: (626) 858 -8684

A. REVENUES:

Sources	(4) Total for Months	(5) Year-to-Date
1. AFDC-FC FFA Revenues	\$ 489,380.00	\$ 3,974,375.61
2. Other Governmental Revenues (Interest, Gain/Losses on Inv.)	\$ 427.00	\$ 48,814.21
3. Total Revenues	\$ 489,807.00	\$ 4,023,189.82

B. CONTRACT EXPENDITURES

Expenditure Categories	1 Allowable	2 Unallowable	3 Personal	(4) Total for 6 Months (Sum of Co.)	(5) Year-to-Date
1. Administrative Payroll (Total)					
a. Executive Director's Salary	9,118.00	-	-	9,118.00	72,944.00
b. Clinical Director's Salary	3,075.00	-	-	3,075.00	43,050.00
c. Administrator Salary					
d. Other Administrative Salaries	45,641.27	-	-	45,641.27	342,376.58
2. Recruitment Payroll					
3. Training Payroll	750.00	-	-	750.00	2,714.65
4. Administrative Contracts					
5. Telephone and Telegraph	3,273.75	-	-	3,273.75	35,685.74
6. Postage and Freight	127.47	-	-	127.47	9,039.86
7. Office Supplies	6,208.47	-	-	6,208.47	41,877.50
8. Conferences, Meetings	-	-	-	-	11,030.89
9. Memberships, Subscriptions/Dues	380.39	-	-	380.39	7,999.01
10. Printing & Publications	229.40	-	-	229.40	4,663.13
11. Bonding, Insurance Premiums	22,831.18	-	-	22,831.18	80,528.05
12. Advertising	9,154.28	-	-	9,154.28	37,632.61
13. Miscellaneous	58,429.14	-	-	58,429.14	456,128.68
Subtotal	159,218.35	-	-	159,218.35	1,147,070.48

Expenditure Categories	1 Allowable	2 Unallowable	3 Personal	(4) Total for 6 Months (Sum of Co. 1-3)	(5) Year-to-Date
14. Building and Equipment Payroll					-
15. Building Rents and Leases	(3,371.66)	-	-	(3,371.66)	105,785.73
16. Principal and Interest				-	-
17. Property Appraisal Fees				-	-
18. Property Taxes				-	-
19. Equipment and Property Ins.				-	-
20. Utilities				-	719.76
21. Building Maintenance	323.69			323.69	12,416.43
22. Building & Equipment Contracts				-	-
23. Building & Equipment Supplies	2,695.17			2,695.17	23,909.13
24. Equipment Leases	2,273.11			2,273.11	18,250.59
25. Depreciation Expenses				-	-
26. Non-Depreciable Equipment	-			-	4,757.11
27. Building & Equipment Misc.				-	-
28. Vehicle Leases				-	-
29. Vehicle Depreciation				-	-
30. Vehicle Operating Costs	2,769.37			2,769.37	23,271.71
Subtotal	4,689.68	-	-	4,689.68	189,111.46

31. Total Paid to CFH	194,306.02	-	-	194,306.02	1,789,385.86
32. Other Child Related Costs	35,128.79	-	-	35,128.79	81,507.42
33. Social Worker Payroll	114,193.83	-	-	114,193.83	891,084.68
34. Social Worker Contracts	-	-	-	-	-
Subtotal	343,628.64	-	-	343,628.64	2,761,977.96

35. Total Expenditures	507,536.67	4,098,159.90
36. Excess Revenues / Expenditures in Excess of Revenues	(18,156.67)	(123,784.29)
37. Less: Revenues from Other Governmental Sources	427.00	48,814.21
(Section A, Line 2, Column 4)		
38. Unexpended AFDC-FC-FFA Funds/Expenditures in Excess of AFDC-FC FFA Revenues	(17,729.67)	(74,970.08)

Sep 07 05 03:41p

C. Briefly describe services rendered during the reporting period as required in the Agency's Program Statement

- | | |
|----------|--|
| A | Our Program provide the special services needed to nurture children to their fullest mental, emotional and spiritual development |
| B | RPN's Management and Social Workers worked with all Foster Parents access resources, coordinate services and create an individualized treatment plan for each child. |
| C | RPN assists and support all Foster Parents in providing foster children's emotional and financial care towards the goal of healthy development of a child. |

D. Please indicate any difficulties encountered rendering services and/or complying with the Program Statement. Please indicate any such differences that could jeopardize the timeliness of placement or care provided to a child.

- Due to the fire in the building (4th floor) on the week-end of July 4, 2005, almost half of the whole 2nd floor where "water damaged". We where forced to relocate the departments affected with other departments, re-wire computers & telephones in order to perform their daily job. Some of our Social Workers are working temporarily in our Rancho Office.

I hereby certify to the best of my knowledge, under penalty of perjury, that the above is true and correct, that all amounts are traceable to Agency accounting records, and that all AFDC-FC monies received for the purposes of this program were spent in accordance with the agreement and all applicable Federal, State and County laws and regulations. Falsification of any amount disclosed herein shall constitute a false claim pursuant to the California Government Code, Section 12650 et seq.



Executive Director

9/07/05

Date

Accounting Cycle: = Calendar Year

Begins: January 2005 Ends: December 2005

Accounting Basis: = Accrual

Sep 07 05 03:41P

MISCELLANEOUS ACCTS.

	MONTHLY	CUMULATIVE
Executive Pension	-	2,500.00
Payroll Taxes	17,183.06	110,891.91
Health Insurance	20,264.54	116,072.84
Workers Comp	4,148.54	40,948.59
Employee Pension	720.24	26,080.55
Accounting & Prof.	877.50	22,533.44
Legal Fees	13,842.21	120,593.55
Administrative Expenses	273.05	389.85
Bank Fees	-	1,110.98
Continuing Ed	-	453.99
Penalties	-	300.00
Taxes & Licenses	1,120.00	14,252.98
TOTAL	<u>58,429.14</u>	<u>456,128.66</u>



DAVID SANDERS, PH.D.
Director

County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
425 Shatto Place - Los Angeles, California 90020
(213) 351-5602

Board of Supervisors

GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

September 15, 2005

TO: Brian Henricks, Principal Accounting Auditor
Department of Auditor-Controller
Countywide Contract Monitoring Division

FROM: Elizabeth Howard, CSA III
Out-of-Home Care Management Division

**REQUEST FOR PROGRAMMATIC AUDIT OF REFUGIO PARA NIÑOS FOSTER
FAMILY AGENCY (REFUGIO)**

INTRODUCTION

The Out-of-Home Care Management Division (OHCMD) provides monitoring and support to the contracted Foster Family Agency providers in order to maintain the required services standards as stipulated by the Contract between the agencies and DCFS, Community Care Licensing (CCL) Title 22 regulations, and the agencies' Program Statements as it relates to the performance measures in the areas of Safety, Permanency, and Wellbeing/Education/Emanicipation.

The monitoring includes a review of the agencies' child case records and certified foster parents' files. Interviews with foster children and foster parents are also conducted to obtain their perspectives on services.

HISTORY

On January 25, 2005, the Board of Supervisors instructed DCFS to notify Refugio that their Foster Family Agency Agreement would be terminated for convenience in 90 days. The Board's decision was made following a September 5, 2000 Auditor-Controller's (A-C) fiscal audit, which identified \$759,006 in questionable expenditures. A subsequent A-C's fiscal audit dated January 18, 2005, identified questionable expenditures in the amount of \$858,609 resulting from improper use of foster care payments, payment of excessive

salary and employee benefits to Refugio's then Executive Director, and a total of \$481,316 in fundraising costs.

On April 26, 2005, the Board charged DCFS with providing monthly reports of Refugio with regard to fiscal and safety issues, as a new Agreement with Refugio was executed. To date, Refugio has complied with its Corrective Action Plan (CAP).

REQUEST

During our monitoring of Refugio, we noted some program audit issues which are outside of our scope, and therefore we request that your agency proceed with a programmatic audit. Nonetheless, some of the issues we noted are as follows:

- the Needs and Services Plans, the quarterly reports and the Social Workers' notes were not individualized,
- the Plans were not dated,
- the Plans did not have the DCFS Social Workers, the certified foster parents, and the children's signature indicating participation and/or approval of the Plans,
- the Plans were not in narrative form, therefore they do not present a clear picture of the children,
- the children and the foster parents interviewed stated they were not familiar with the Plans and/or what they were for,
- the Social Workers were not reporting and submitting Special Incident Reports as per Title 22 regulations'
- One foster parent stated she did not feel supported by Refugio, as when the Social Worker is not available and she talks to the Supervising Social Worker, the foster mother is asked to wait and talk to the Social Worker when she/he is available.

For the reasons stated above, the OHCMD is requesting that your Division conduct a programmatic audit of Refugio Para Niños FFA in the near future and the results be shared with our Division.

If you have any questions regarding our request, please call me at (626) 569-6804.

Cordially,



Elizabeth A. Howard, CSA III
Out-of-Home Care Management Division

ES:CR:Nf:dv

ATTACHMENT IV



DAVID SANDERS, PH.D.
Director

County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
425 Shatto Place - Los Angeles, California 90020
(213) 351-5602

Board of Supervisors

GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

September 19, 2005

Tomás Fernández, COO
Refugio Para Niños Foster Family Agency
100 N. Citrus Street
West Covina, Ca. 91791

Dear Mr. Fernández:

MONITORING PERFORMANCE OUTCOME MEASURES REVIEW RESULTS.

Refugio Para Niños FFA consists of one main office located in West Covina, and two satellite offices: one located in Rancho Cucamonga in San Bernardino County, and one in Orange County. At the time of our review, there were 301 children in placement, and 130 certified foster parents.

For the purpose of this review, 17 children's files and eight foster parents' files were reviewed. During the visits to the certified foster homes, some of the children reviewed had been replaced as they were sibling sets. Therefore, as they were not interviewed, other children whose files were not reviewed were interviewed.

SCOPE OF REVIEW

The Department has been focusing on the development and implementation of performance outcome based contracts for Foster Family Agencies. To that end, the Out-of-Home Care Management Division (OHCMD) has been charged with monitoring and providing support to the contracted providers in order to maintain the required services standards as stipulated by the Contract between the agencies and DCFS, Community Care Licensing (CCL) Title 22 regulations, and the agencies' Program Statements as it relates to the performance measures in the areas of Safety, Permanency, and Wellbeing/Education/Emancipation. However, due to the Board of Supervisors' concerns and the monthly oversight of Refugio, the monitoring review will

Page 2

reflect additional issues noted which will be referred to and addressed by the Auditor-Controller.

The monitoring included a review of Refugio's child case records and certified foster parents' files. Interviews with foster children and foster parents were also conducted to obtain their perspectives on services.

GENERAL FINDINGS

- The agency has to update the foster parents' files to reflect that they are daycare providers, and the children's files to reflect that they have been relocated within the agency, to include their new address.
- The agency shall ensure that foster parents are transporting children to the visits with their families, and that they report timely reportable incidents in the foster home.
- The agency shall retrain foster parents, Social Workers and Supervising Social Workers with regard to Special Incident Reports as per Title 22 regulations and the Contract.
- The agency shall honor the foster parents' requests as to the number of children they want to provide care for during the certification process, and as to the language the children speak in order for the foster parents to provide appropriate services.
- The agency shall ensure that emancipation services are provided to age-appropriate children.
- The agency shall make sure that Supervising Social Workers and Social Workers are retrained with regard to the development of the Needs and Services Plans as per Title 22 regulations and the Contract. Additionally, the agency shall make sure that DCFS CSWs, certified foster parents and children participate and sign the Plans.

SUMMARY

Overall, it appears that Refugio is providing adequate care and services to DCFS children. The children interviewed stated they felt safe in their foster homes, and all the certified foster parents interviewed but one stated that they were happy with the support from the agency. In fact, one foster parent stated that the Social Worker assigned to the home is excellent.

Refugio's Administration needs to ensure that appropriate documentation is updated and establish a comprehensive quality assurance program to bring the agency into compliance with the Contract and Title 22 regulations.


Page 3

Based on our monitoring review, we will request that the Auditor Controller's Office, Countywide Contract Monitoring Division initiate a program audit of Refugio.

The monitoring of your agency was conducted by Darío Villamarín between August 3, 2005 to August 10, 2005. Attached please find the FFA Evaluation Review Results. There are 15 recommendations, and therefore a Corrective Action Plan (CAP) is being requested, addressing all the recommendations and attaching the required documentation by October 10, 2005 to Mr. Villamarín at 9320 Telstar Avenue, Room 216, El Monte, Ca. 91731. Please sign the form, keep a copy for your records and return the copy along with the CAP.

Thank for your cooperation, and if you have any questions, please contact Mr. Villamarín at (626) 569-6827 or Néstor Figueroa, Manager at (626) 569-6820.

Sincerely,



Néstor Figueroa, CSA II
FFA Program Manager
Out-of-Home Care Management Division

FOSTER CARE PERFORMANCE MANAGEMENT-DEPARTMENT OF CHILDREN AND FAMILY SERVICES

FOSTER FAMILY AGENCY EVALUATION REVIEW RESULTS

FOSTER FAMILY AGENCY Refugio Para Ninos		EXECUTIVE DIRECTOR: Tomas Fernandez		LICENSE NUMBER 197801047	
ADDRESS 100 N. Citrus Street, West Covina, Ca. 91791		TELEPHONE (626) 858-8687	CAPACITY 301	NUMBER OF CHILDREN REVIEWED 17	DATE 9-19-05
				NUMBER OF CFPS REVIEWED 8	
TYPE OF VISIT: <input type="checkbox"/> SEMI ANNUAL <input checked="" type="checkbox"/>			ANNOUNCED <input type="checkbox"/> UNANNOUNCED <input checked="" type="checkbox"/>		MET WITH: Tomas Fernandez

SAFETY: NEEDS IMPROVEMENT	AREA OF REVIEW	CORRECTIVE ACTION
	Certified foster parents' files: <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> 	<ol style="list-style-type: none"> 1. Ensure that all foster parents who have a day care license have a copy of such license in their files. 2. Ensure that certified foster parents who are daycare providers as well have a plan to ensure proper supervision and safety of foster children. 3. Ensure that foster parents are retrained, and submit documentation that foster parents are reporting Special Incident Reports timely as per the Contract. 4. Ensure that Refugio's Social Workers and Supervising Social Workers report Special Incident Reports as per the Contract. 5. Ensure that the agency honors the foster parents' request for the number of children they apply for.

WELLBEING/ EDUCATION/ EMANCIPATION: NEEDS IMPROVEMENT	Certified foster parents' files: <hr/> <hr/> <hr/> <hr/> <hr/> 	<ol style="list-style-type: none"> 6. Ensure that foster parents' requests are honored when they are monolingual (Spanish) and they only want Spanish speaking children.
	Children's files: <hr/> <hr/> <hr/> <hr/> <hr/> 	<ol style="list-style-type: none"> 7. Ensure that foster parents transport children to visits with their family and transport them to obtain basic necessities to ensure their wellbeing. 8. Ensure that age-appropriate children are provided with emancipation services.

FOSTER CARE PERFORMANCE MANAGEMENT-DEPARTMENT OF CHILDREN AND FAMILY SERVICES

FOSTER FAMILY AGENCY EVALUATION REVIEW RESULTS

Other: NEEDS IMPROVEMENT		9.	Ensure that the Needs and Services Plans are individualized, descriptive, and have the signatures of the DCFS CSWs, the foster children, and the certified foster parents.
		10.	Ensure that Refugio's Supervising Social Workers and Social Workers are retrained with regard to Title 22 regulations related to Needs and Services Plans.
		11.	Ensure that DCFS CSWS, certified foster parents and foster children participate in the development of the Plans.
		12.	Ensure that placement agreements are updated to show the current, latest placement address.
		13.	Ensure that termination reports contain more detailed information as to the reason children are terminated for services.
		14.	Ensure that clerical staff, Supervising Social Workers and Social Workers take care of foster parents' immediate concerns and provide appropriate support to them.
		15.	Ensure that Refugio's Social Workers do not take the children's files with them

I acknowledge receipt of this form and understand my appeal rights as explained on the back of this form. This form acknowledges that a discussion was held and does not constitute agreement or disagreement with the findings. Failure to correct the above mentioned deficiencies, on or before the Corrective Action (CA) due date, may result in further action.

CHILDREN'S SERVICES ADMINISTRATOR SIGNATURE <i>N. Figueroa</i>		TELEPHONE (826) 569-8827	DATE 9/19/05
NAME OF DCFS MANAGER Nestor Figueroa	TELEPHONE (626) 569-8820	FFA REPRESENTATIVE SIGNATURE	DATE

FOSTER FAMILY AGENCY Refugio Para Ninos		EXECUTIVE DIRECTOR Tomas Fernandez		LICENSE NUMBER	
ADDRESS	TELEPHONE ()	CAPACITY	NUMBER OF CHILDREN REVIEWED	DATE	
			NUMBER OF CPFS REVIEWED		
TYPE OF VISIT: <input type="checkbox"/> SEMI ANNUAL <input type="checkbox"/> OTHER		ANNOUNCED <input type="checkbox"/> UNANNOUNCED <input type="checkbox"/>		MET WITH	

FOSTER FAMILY AGENCY EVALUATION REVIEW REPORT - This report is a DCFS record for the agency and DCFS. This record is available for public review; therefore, personal or confidential information is not disclosed. Inquires regarding the maintenance and contents of this report may be directed to the CSA 1 or office whose address and telephone number are listed on the front.

DEFICIENCIES - Deficiencies are non-compliances with the Foster Care Agreement, the agencies' Program Statement and/or Title 22 regulations. FFAs must be notified in writing of all regulation deficiencies. Deficiencies may be identified with a code reference to identify the section of the Contract or Title 22 regulations, upon which the deficiency is based.

Deficiencies are violations of the regulations and/or Health and Safety Code that if not corrected, have a direct or immediate risk to the health, safety or personal rights of clients in care. Without correction, the deficiencies could become a risk to the health, safety or personal rights of clients, a record keeping violation that could impact the care of clients and/or protection of their resources, or would impact services required to meet the clients' needs.

CORRECTIVE ACTION (CA) - The Contract, Terms and Conditions, Section 17.2, Corrective Action Plan (CAP) requires the agencies to submit a CAP within 30 days from the date of the written notice, depending on the nature of the findings. In some instances, the CAP may be required in three days from the date of notice. The CAP must be responsive to each finding and recommendation. The more specific the CAP, the less chance exists for the request of an addendum. The CAP is reviewed and approved by the DCFS Manager within five business days.

FURTHER ACTION - The Contract, Terms and Conditions, Section 17.2 states that the County retains the right to place an agency on **Hold Status**, for up to a 45-day period, when based on prima facie evidence that the agency engaged in conduct which may jeopardize minors; issues of abuse or neglect; serious risk of abuse or neglect; or non-compliance with significant administrative/fiscal/programmatic requirements of the Contract for which the agency failed to take corrective action pursuant to Section 17.1, and as described in Exhibit N.

The Contract, Terms and Conditions, Section 17.3 states that the County retains the right to place an agency on **Do Not Refer Status (DNR)** when County reasonably believes, based on prima facie evidence that the agency has engaged in conduct which may jeopardize minors; issues of abuse or neglect; serious risk of abuse or neglect; or non-compliance with significant administrative/fiscal/programmatic requirements of the Contract for which the agency failed to take corrective action pursuant to Section 17.1, and as described in Exhibit N. When DNR is implemented, a CAP will be established, as provided in Exhibit N. DNR is removed if the agency conforms to the CAP in terms of content and timeframe.

The Contract, Terms and Conditions, Section 17.3 states that the County retains the right to place an agency on **Do Not Use Status (DNU)** when County reasonably believes, based on prima facie evidence that the agency has engaged in conduct which may jeopardize minors; issues of abuse or neglect; serious risk of abuse or neglect; or non-compliance with significant administrative/fiscal/programmatic requirements of the Contract for which the agency failed to take corrective action pursuant to Section 17.1, and as described in Exhibit N. Under unique, warranted circumstances, a DNU might be rescinded, as provided in Exhibit N.

APPEALS RIGHTS - The Contract, Terms and Conditions, Section 17.6 states that the agencies may address the County action with representatives from County and may challenge the County action in accordance with DCFS local agency policies and procedures (refer to Exhibit N) then in effect, and thereafter, the agency may appeal through the dispute resolution procedures described in Section 58.0 herein.

FOSTER CARE PERFORMANCE MANAGEMENT-DEPARTMENT OF CHILDREN AND FAMILY SERVICES

FOSTER FAMILY AGENCY EVALUATION REVIEW RESULTS

SAFETYCertified foster parents' files:Comments:

The foster parents' application indicated that the prospective foster parents did not have a daycare license. However, three of the eight foster parents interviewed indicated that they currently have a daycare license, yet, there was no documentation in the certified foster parents' files updating such information.

While reviewing the certified foster parents' files, we noted that one of them has health issues. During the home visit to the foster home, there were 12 children, four foster children, and eight daycare children in the home. Although the foster mother had a helper, we noted that the foster mother has limited mobility, and had to rely on the helper, who in turn had to leave the children unattended. Furthermore, we noted that the foster mother asked a 14-year-old-foster child to take a daycare child back to the daycare area as the foster mother's helper stepped out with two foster children, which make us believe that perhaps foster children help to baby-sit the daycare children. Although the foster mother has a helper, it seems that the helper is the one who supervises all the children, which make us wonder whether the foster mother provides proper care and supervision to foster children, which may lead to safety concern issues such as AWOLs or other incidents which can occur if children are not properly supervised.

In one certified foster home, a 16-year-old child disclosed that her 18-year-old foster sister had a boy friend who used to stalk her, and on one occasion, the individual was able to come into the house, by the children's bedroom. It was also disclosed that on several occasions, the individual knocked at the children's window, and if his former girlfriend would not come to the window, he would knock at the 18-year-old's window, which not only would scare the youth, but also her baby. Although the foster father was not immediately notified of the incident, once he knew about it, Refugio's Social Worker's notes indicate that the foster father reported the incident one week later after the fact, which is a violation of the Contract as these kinds of incidents have to be reported immediately as it poses a safety issue.

Based on the information gathered, this writer called Refugio's Interim CEO, Tomas Fernandez to report the issue at hand. We questioned the Interim CEO as to the reason that a Special Incident Report (SIR) was not filed and he said that the Social Workers some times do it, and some times they do not. The agency failed to call the Child Protection Hotline to report the incident as well. We requested that all the children be replaced as the incident posed a safety issue for all the children in the home. This writer called the CPHL to report the incident, but a referral was not generated, as the CPHL Intake Evaluator stated that Refugio was taking immediate action.

One foster parent stated that she applied to have two children, and she was certified for three, as the agency stated "just in case".

FOSTER CARE PERFORMANCE MANAGEMENT-DEPARTMENT OF CHILDREN AND FAMILY SERVICES

FOSTER FAMILY AGENCY EVALUATION REVIEW RESULTS

RECOMMENDATIONS:

1. To ensure that the foster parents' applications are updated, to include whether they have become day care providers after certification.
2. To ensure that certified foster parents who are daycare providers as well have a plan to ensure proper supervision and safety of foster children.
3. To ensure that foster parents are retrained, and submit documentation that foster parents are reporting Special Incident Reports timely as per the Contract.
4. To ensure that Refugio's Social Workers and Supervising Social Workers report Special Incident Reports as per the Contract.
5. To ensure that the agency honors the foster parents' request for the number of children they apply for, not the number the agency decides.

WELLBEING/EDUCATION/EMANCIPATION**Comments:**

One foster mother stated that she is monolingual (Spanish) and she has requested that only Spanish speaking children be placed in her home. However, monolingual English speaking children are also placed in her home and she can hardly communicate with them. This is a wellbeing issue as the foster mother stated she feels she cannot provide the kind of care she would like to foster children.

RECOMMENDATION:

6. To ensure that foster parents' requests are honored when they are monolingual (Spanish) and they only want Spanish speaking children.

WELLBEING/EDUCATION/EMANCIPATION**Children's files:****Comments:**

In the certified foster home where the foster father did not report an incident as per the Contract, we read that the foster father had refused to transport the children to visit their family. During the interview with one of the children, she corroborated what we have read in the file. Additionally, the child stated that her 18-year-old sister who has a one-year-old child asked the foster father to take her to the store to buy milk for the baby and the foster father refused to provide transportation. Furthermore, the child stated that she felt treated differently than her 18-year-old foster sister, as there was favoritism.

FOSTER CARE PERFORMANCE MANAGEMENT-DEPARTMENT OF CHILDREN AND FAMILY SERVICES

FOSTER FAMILY AGENCY EVALUATION REVIEW RESULTS

The initial N&SP for an 18-year-old youth did not indicate that the youth was going to be provided with emancipation services.

RECOMMENDATIONS:

7. To ensure that foster parents transport children to visits with their family and transport them to obtain basic necessities to ensure their wellbeing.
8. To ensure that age-appropriate children are provided with emancipation services.

OTHER AUDIT ISSUES:

Although the Needs and Services Plans (N&SP) were on file, we noted that the Initial N&SPs were developed at the time of placement, which was more like an intake form. Additionally, the form used is like an outline, and therefore it does not present the reader with a descriptive picture about the child. The updated N&SPs were the same.

We also noted that the N&SPs were not individualized and they did not have the children, foster parents, and DCFS CSWs' signature for implementation of the Plans.

Furthermore, all ten certified foster parents and 11 verbal children interviewed stated that they did not know about the N&SPs, nor have they seen them.

We noticed that children are replaced within the agency, but a new agency, foster parent agreement is not developed. Therefore, the address where the child was initially placed is the one on file, not the current, latest one.

For the discharged children, the termination report did not contain enough information as to the reason for termination.

One certified foster parent stated that she does not feel supported by Refugio. She stated that when she calls the agency, she has to wait for 20 minutes. At times, the foster parent is told that she has to speak to the Social Worker, who may not be available. Once the foster parent is transferred to speak to the Supervising Social Worker, the foster parent is told that she has to talk to the Social Worker. The foster parent could not get assistance for her immediate concern.

A few children's files were not available for review as the agency's Social Worker had them with her. Although she was called to bring them to the office, she did not make them available for our review. It is Refugio's policy that Social Workers do not take files out of the office, as the information they contained is confidential.

RECOMMENDATIONS:

9. To ensure that the Needs and Services Plans are individualized, descriptive, and have the signatures of the DCFS CSWs, the foster children, and the certified foster parents.

FOSTER CARE PERFORMANCE MANAGEMENT-DEPARTMENT OF CHILDREN AND FAMILY SERVICES

FOSTER FAMILY AGENCY EVALUATION REVIEW RESULTS

10. To ensure that Refugio's Supervising Social Workers and Social Workers are retrained with regard to Title 22 regulations related to Needs and Services Plans.
11. To ensure that DCFS CSWS, certified foster parents and foster children participate in the development of the Plans.
12. To ensure that placement agreements are updated to show the current, latest placement address.
13. To ensure that termination reports contain more detailed information as to the reason children are terminated for services.
14. To ensure that clerical staff, Supervising Social Workers and Social Workers take care of foster parents' immediate concerns and provide appropriate support to them.
15. To ensure that Refugio's Social Workers do not take the children's files with them.

REFUGIO PARA NINOS

Foster Family Agency

ATTACHMENT V

Dario Villamarino, CSA I
Program Auditor
County of Los Angeles, DCFS
9320 Telstar Avenue # 206
El Monte, CA 91731

Ref: New Board Member Training Sessions

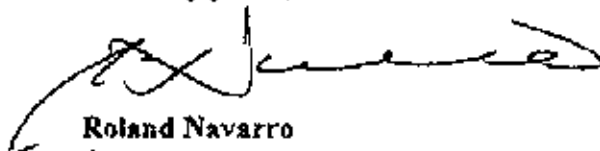
Dear Mr. Villamarino:

Our new Board Member – Mr. Michael Brown had completed his review and examination on the following topics prescribed by the county;

- Cost Allocations & Principles
- Board Governance: The important of your Role
- Auditor – Controller – Contract Accounting & Administration Handbook
- Internal Control

Mr. Brown has passed and satisfied the country's requirement on new board member for Refugio Para Ninos.

Sincerely yours,



Roland Navarro
CFO

CC: Al Fong, CPA Dept. of Auditor-Controller Audit Division
File

- ATTACHMENT VI

REFUGIO PARA NINOS

Foster Family Agency

July 12, 2005

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS Refugio Para Ninos, Foster Family Agency (the "Corporation") held at 100 N. Citrus St., Suite 205 on the 12th day of July, 2005.

Chairperson Vern Van Voorst called the meeting to order at 6 P.M.

BOARD MEMBERS

Present: Edward O. Aguirre, Judith E. Bean, Michael Gering, Heather Johnson, Mark Santarsiero, Vern Van Voorst

Michael Brown was present and was voted in as a board member (see motion below).

Absent: None

RPN STAFF PRESENT: Interim CEO: Thomas Fernandez; HR Director: Teresa Reta;

Controller: Roland Navarro; Clinical Director: Claire Greene

GUEST PRESENT: Mr. Al Fong, Senior Auditor Controller, Los Angeles County.

Motion: Minutes from the board meeting held on June 28, 2005 were reviewed by board members. Ed moved to approve the minutes. Michael Gering seconded the motion. All were in favor. The motion passed.

Old Business: Increasing RPN Board Members:

Vern invited Michael Brown to attend this board meeting. Vern was not able to get in touch with the other candidate. Mr. Brown introduced himself. He has held positions as CEO of various companies; senior financial and operating managerial posts, consultant and has focused his interests in finance, operations and management, especially assisting companies requiring "Turnaround" type difficulties.

Motion: Ed moved to accept Michael Brown as a RPN Board Member. Mark seconded.. All were in favor. The motion passed.

INTERIM CEO'S REPORT: Thomas Fernandez

B of D Minutes, July 12, 2005 Page 2 of 4

Fire damage at RPN office: A fire occurred the evening of July 4 on the 4th floor causing extensive water damage to the second floor. One half of the RPN suites suffered extensive damage and as a result space is cramped.

Social Workers. Some meetings are being held at other RPN offices. Major reconstruction is scheduled to take several months.

Placements are down, primarily due to school being closed for the summer. Currently at 300.

Staffing- some reduction will be required in order to more efficiently align staff and placement level.

CONTROLLER'S REPORT: Roland Navarro

--The first half of the year through June 2005 posted a loss of (\$43, 844) which is mostly attributed to a decline in participants (300 current participants), higher than normal legal expenses and the recent increase in foster parent payment rates. This compares to the same period of 2004 which showed a loss of (\$120,105) with 370 participants.

--July and August are slower months (school is closed, a major source of referrals).

--Roland is predicting to break-even at the end of the year, and proposes several cost reduction measures, due to declining participants, that will be discussed further.

--Roland suggested having a financial committee meeting.

--Roland provided a Refugio Para Ninos, Financial Statement, June 2005.

LEGAL UPDATE REPORT: Ed Aguirre

Ed has been working on the RPN BY-LAWS and brought these suggestions to the floor.

SECTION 2 NUMBER AND QUALIFICATION OF DIRECTORS, change to:

--(that the RPN Board consist of a minimum of 7 members with a maximum of 15 members

--delete statement "Directors need not be residents of the State of California."

SECTION 4 VACANCIES

--(b) Resignations: Ed will consult legal guidance regarding this statement.

ARTICLE VIII, SECTION 1. OFFICERS

--change President to Chairman of the Board.

He asked that the board provide any other comments or suggestions. He also suggested that we come up with a standard agenda format for our meetings.

B of D Minutes, July 12, 2005 Page 3 of 4

INCIDENT REPORT: Claire Greene, Clinical Director

21:3000

Seven incident reports were filed. See attachment provided by Claire.

SEXUAL HARASSMENT TRAINING: Vern Van Voorst

A training on Sexual Harassment will be scheduled for all staff. Recent training on this topic has not been provided. All employees do sign a statement regarding sexual harassment and it is placed in their personnel file.

AGENDA ITEMS for next meeting:

Administration:

- Standard agenda format for RPN board meetings
- Agency Manual for Board Members: mission statement, program orientation, training info, etc.
- Adoption Plan--presentation by Thomas
- Recruitment Plan
- Sexual Harassment training
- Explore moving Rancho office (between Riverside and San Bernardino)
- Merrill Lynch rep. presentation (Roland)
- Fire damage update

Next Board of Director's meeting: Tuesday, August 9, 2005 at 6 P.M. at West Covina office.

ADJOURN

MOTION: Ed moved to adjourn the meeting. Mark seconded the motion. All were in favor. The meeting adjourned at 7:35 P.M.

Respectfully submitted,

Judith E. Bean

Secretary

ATTACHMENT VII

REFUGIO PARA NINOS*Foster Family Agency*

August 9, 2005

DRAFT

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
Refugio Para Ninos, Foster Family Agency (the "Corporation") held at 100
N. Citrus Street, Suite 205 on the 9th day of August, 2005.

Chairperson Vern Van Voorst called the meeting to order at 6:00 pm.

BOARD MEMBERS

PRESENT: Vern Van Voorst, Edward O. Aguirre, Judith E. Bean, Michael
Gering, Heather Johnson, Mark Santarsiero, Michael Brown.

ABSENT: None.

RPN STAFF PRESENT: CEO: Thomas Fernandez; Controller: Roland
Navarro; Clinical Director: Claire Greene.

GUESTS: Adrian Sanchez, Supervisor of the Rancho Cucamonga Office,
Susan Stapantyanon-Piñon, Orange County Office.

Motion: Minutes from the board meeting held on July 12th, 2005 were
reviewed by board members. Members decided to postpone the approval of
the minutes pending review and/or correction.

Status on New Location for Rancho Cucamonga: Adrian Sanchez discussed
plans for a more centralized placement unit for San Bernardino and
Riverside County areas so RPN can begin offering services in Riverside
County. A comprehensive program statement must be submitted by October
30th, 2005 in order for an MOU to be considered.

The following items must be accomplished by Refugio Para Ninos:

1. Program statement
2. New office location
3. Recruitment of foster parents

Adrian discussed the status of operations and the level of foster families in the area. Ed suggested some additional approaches as a means to inform the community of their services and recruiting foster families.

Status on Orange County Office: Suan Staparyanon-Piñon gave the board members an update regarding the Orange County office. Since June, they have added placements and homes and are establishing good relationships with the foster parents. Suan discussed the demand for placement of Vietnamese children. Advertisements have been placed on the radio and flyers have been distributed in the surrounding area. Refugio Para Niños is the only agency with foster families speaking Vietnamese. Suan informed the board of upcoming recruitment functions. Ed asked for a list of dates when the functions will be taking place in order to provide volunteers to assist with the recruitment process. The Board of Directors thanked the Orange County team for their hard work and dedication.

Status on Sexual Harassment Training: Tomas discussed the upcoming sexual harassment training that will be given to line staff (8/11/05) and management (8/25/05) at the Rancho Cucamonga and Covina sites. It is being emphasized that the trainings are mandatory.

Presentations: Ed asked if the number of staff presentations given can be kept to a two or three per meeting so that all items on the meeting agenda can be discussed. This was agreed.

Fire Update: Roland stated that he is waiting to hear from the building management regarding a rent credit for the month of July since the extensive damage caused by the fire prevented staff from using most offices.

(RPN Staff was asked to step out of the meeting so the BOD could have a discussion.)

Motion: The Board of Directors discussed the need for the organizational restructuring of RPN staff. Without further delay, Ed Aguirre was approved as the new CEO of RPN, as a focal point to represent the Board day to day during this transitional period. Tomas Fernandez will be appointed as the COO. Michael Brown made a motion to suspend the terminations from Monday pending further assessment. Michael Gering seconded the motion. All members were in favor and the motion passed. (RPN staff was

asked to join the meeting again.) Chairperson Vern Van Voorst advised the RPN staff of the BOD's decision to appoint Ed Aguirre as CEO and Tomas Fernandez as COO in order to review the organizational structure of the agency for a three month period. Board Member Mark Santarsiero left the meeting to catch a flight.

Incident Reports: A list of incident reports for the month of June was reviewed by Claire. Vern clarified that only incidents occurring since the previous RPN meeting need to be reported on.

Financial Reports: Roland reviewed the financial statement for July 2005 and the Merrill Lynch Report. Vern asked for a breakdown of expenses for RPN. Roland will follow up with that at a later time.

Motion: Ed reviewed the proposed amendments to the by-laws as discussed with Samuel P. Crowe on July 25, 2005. Ed made a motion for the BOD to amend Article V- first paragraph, Article VI- section 2, Article VI- section 4 to add sub-section iv. Heather seconded the motion. The vote was five in favor of the changes as presented and Michael Gering against. Motion passed. Changes attached.

Meeting officially adjourned at 9:00 pm.

Next BOD's meeting is scheduled for Tuesday, August 23rd, 2005 at 6:00 pm.

Reviewed and respectfully submitted by: _____
Michael Brown, BOD

Minute Recorder: _____
Sophia Hernandez

REFUGIO PARA NINOS
BOARD OF DIRECTORS

August 9, 2005

TO: BOARD OF DIRECTORS
FROM: ED AGUIRRE
RE: PROPOSED AMENDMENTS TO THE BYLAWS:RPN

As directed by the Board, I met with Samuel P. Crowe on July 25, 2005, to discuss amendments to the Bylaws of Refugio Para Ninos. The following issues regarding the Bylaws of the Corporation were discussed:

Article V: The first paragraph of Article V includes the following language: "No part of the net income or assets of the organization shall ever inure to the benefit of any director, officer or member of this corporation or to the benefit of any private individual."

Proposed change to the first paragraph of Article V:

The property of this Corporation is irrevocably dedicated to organization and management of a foster family agency and related activity and, except for reasonable director's fees or salaries paid to its employees, no income or assets shall inure to the benefit of any director or officer of the Corporation. In the event the Corporation has members no income or asset shall inure to the benefit of any member.

Article VI, Section 1

Although it is not implicit that a Director be removed by majority vote of the Board of Directors, if the Board of Directors is to have that right, it should be more specifically stated. Note that Article VI, Section 4 (a) refers to the removal of a Director.

Article VI, Section 2

Proposed change to Article VI, Section 2:

The Authorized number of Directors shall be no more than fifteen (15) and no less than seven (7) until changed by amendment of the articles or by an amendment of this section of the Bylaws. The Board of Directors shall adopt a resolution fixing the number of directors from time to time. A Director shall be a resident of the State of California.

The Executive Director may serve on the Board if elected by the Board of Directors. However, he or she may not vote on any matters relating to his or her own compensation or employment.

Article VI, Section 1 (b)(i):

Article VI, Section 1(b)(i), allows the Directors to select or remove any officers, agents or employees of the Corporation. Normally the removal of employees is done by the Executive Director, not the Board of Directors. Therefore, the Board of Directors should give some thought to this issue.

Article VI, Section 4:

Proposed change to Article VI, Section 4, add sub-section IV to read:

The Board of Directors, by majority vote, may remove a Director with or without cause.

Article VI, Sections 6, 7:

Discussed the fact that Article VI, Sections 6 and 7, provide for an annual meeting and other meetings to be held without notice. Although, in the past, Board of Directors were notified of the meetings, notice procedures should be more specific. In the case of the annual meeting, normally there is a fixed date for this meeting following the end of the corporation's fiscal year, with a provision that if the fixed date were on a holiday, Saturday or Sunday, then the meeting would be held the following business day. If the annual meeting date is set forth in the Bylaws, notice need not be given. With respect to the other meetings of the Board of Directors, the Bylaws should contain notice provisions, that is, at a minimum pursuant to California law, four (4) days' notice by first class-mail, or 48 hours' notice delivered personally, or by telephone, electronic transmission or a voice messaging system. The Board should also provide in the Bylaws who should call these special meetings. The California Corporations Code provides that the chair of the board, the president, any vice-president or the secretary, or any two directors may call a meeting of the Board.

Article VI, Article VIII:

There is currently no Vice President and there is some confusion between the Executive Director, as mentioned in Article VI, Section 2, and the President, as defined in Article VIII, Section 7(b). We need to clarify the executive position of the Corporation.